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## SENATE BILL No. 500

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-10-8; IC 27-8; IC 27-13-7.

**Synopsis:** Insurance coverage for certain medical procedures. Requires coverage under a state employee health benefit plan, a policy of accident and sickness insurance, and a health maintenance organization contract for the costs of examinations and laboratory tests for the following health risks: (1) Osteoporosis. (2) High cholesterol. (3) Cervical cancer. Requires coverage under a state employee health benefit plan, a policy of accident and sickness insurance, and a health maintenance organization contract for inpatient care ordered by the treating physician of the covered individual, insured, or enrollee following a mastectomy.

**Effective:** July 1, 2001.

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January 22, 2001, read first time and referred to Committee on Health and Provider Services.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## SENATE BILL No. 500

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-10-8-11 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2001]: **Sec. 11. (a) As used in this section, "covered individual"**  
4 **means an individual who is:**

5 (1) covered under a self-insurance program established under  
6 section 7(b) of this chapter to provide group health coverage;  
7 or

8 (2) entitled to services under a contract with a prepaid health  
9 care delivery plan that is entered into under section 7(c) of  
10 this chapter.

11 (b) As used in this section, "health benefit plan" means:

12 (1) a self-insurance program established under section 7(b) of  
13 this chapter to provide health care coverage; or

14 (2) a contract with a prepaid health care delivery plan that is  
15 entered into under section 7(c) of this chapter.

16 (c) A health benefit plan must provide coverage for screening,  
17 examinations, and laboratory tests that are ordered by the



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insured's treating physician for any of the following health risks:

(1) Cervical cancer.

(2) Osteoporosis.

(3) High cholesterol.

(d) A covered individual may not be required to pay a deductible, copayment, out of pocket expenses, or coinsurance in connection with the coverage required by subsection (c) that is greater than the deductible, copayment, or coinsurance established for similar benefits under:

(1) The self-insurance program established under section 7(b) of this chapter, if the covered person is covered under that program; or

(2) The contract with a prepaid health care delivery plan that is entered into under section 7(c) of this chapter, if the covered person is entitled to services under that contract.

SECTION 2. IC 5-10-8-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 12. (a) As used in this section, "covered individual" means an individual who is:

(1) covered under a self-insurance program established under section 7(b) of this chapter to provide group health coverage; or

(2) entitled to services under a contract with a prepaid health care delivery plan that is entered into under section 7(c) of this chapter.

(b) As used in this section, "health benefit plan" means:

(1) a self-insurance program established under section 7(b) of this chapter to provide health care coverage; or

(2) a contract with a prepaid health care delivery plan that is entered into under section 7(c) of this chapter.

(c) A health benefit plan must provide coverage for inpatient care as ordered by the covered individual's treating physician following a mastectomy.

(d) A covered individual may not be required to pay a deductible, copayment, out of pocket expense, or coinsurance in connection with the coverage required by subsection (c) that is greater than the deductible, copayment, out of pocket expense, or coinsurance established for similar benefits under:

(1) The self-insurance program established under section 7(b) of this chapter, if the covered person is covered under that program; or

(2) The contract with a prepaid health care delivery plan that

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is entered into under section 7(c) of this chapter, if the covered person is entitled to services under that contract.

SECTION 3. IC 27-8-5-26.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 26.5. (a) As used in this section, "accident and sickness insurance policy" means a policy of accident and sickness insurance (as defined in section 1 of this chapter) that is issued on a group basis.

(b) The term "accident and sickness insurance policy" does not include the following:

- (1) Accident only, credit, dental, vision, Medicare supplement, long term care, or disability income insurance.
- (2) Coverage issued as a supplement to liability insurance.
- (3) Worker's compensation or similar insurance.
- (4) Automobile medical payment insurance.
- (5) A specified disease policy issued as an individual policy.
- (6) A limited benefit health insurance policy issued as an individual policy.
- (7) A short term insurance plan that:
  - (A) may not be renewed; and
  - (B) has a duration of not more than six (6) months.
- (8) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expenses of the confinement.

(c) As used in this section, "insured" means an individual who is entitled to coverage under an accident and sickness insurance policy.

(d) As used in this section, "insurer" means an insurer that issues or renews a policy of accident and sickness insurance.

(e) As used in this section, "mastectomy" means the removal of all or part of the breast that is determined by a licensed physician to be medically necessary.

(f) An insurer shall provide coverage under a policy of accident and sickness insurance for inpatient care as ordered by the insured's treating physician following a mastectomy.

(g) An insurer may not apply a copayment, deductible, out of pocket expense, or coinsurance provision of an accident and sickness insurance policy to the coverage required by subsection (f).

SECTION 4. IC 27-8-14.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:



**Chapter 14.3. Coverage for Health Screening Services**

**Sec. 1. (a) As used in this chapter, "accident and sickness insurance policy" means an insurance policy that:**

- (1) provides at least one (1) of the types of insurance described in IC 27-1-5-1, Classes 1(b) and 2(a); and**
- (2) is issued on a group basis.**

**(b) The term does not include the following:**

- (1) Accident only, credit, dental, vision, Medicare supplement, long term care, or disability income insurance.**
- (2) Coverage issued as a supplement to liability insurance.**
- (3) Worker's compensation or similar insurance.**
- (4) Automobile medical payment insurance.**
- (5) A specified disease policy issued as an individual policy.**
- (6) A limited benefit health insurance policy issued as an individual policy.**
- (7) A short term insurance plan that:**
  - (A) may not be renewed; and**
  - (B) has a duration of not more than six (6) months.**
- (8) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expenses of the confinement.**

**Sec. 2. As used in this chapter, "insured" means an individual who is entitled to coverage under an accident and sickness insurance policy.**

**Sec. 3. As used in this chapter, "insurer" means an insurer that issues or renews a policy of accident and sickness insurance.**

**Sec. 4. (a) An insurer shall provide coverage under an accident and sickness insurance policy for screening, examinations, and testing for the following, if it is ordered by the insured's treating physician:**

- (1) Osteoporosis.**
- (2) High cholesterol.**
- (3) Cervical cancer.**

**(b) An insured may not be required to pay a deductible, a copayment, an out of pocket expense, or coinsurance in connection with the coverage required by subsection (a) that is greater than the deductible, copayment, out of pocket expense, or coinsurance established for similar benefits under the accident and sickness insurance policy.**

**SECTION 5. IC 27-13-7-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 18. (a) A health maintenance organization that**

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provides coverage for basic health care services shall provide coverage under a group contract for screening, examinations, and testing for the following, if it is ordered by the insured's treating physician:

- (1) Osteoporosis.
- (2) High cholesterol.
- (3) Cervical cancer.

(b) An enrollee covered by a group contract may not be required to pay a deductible, a copayment, or an out of pocket expense in connection with the coverage required by subsection (a) that is greater than the deductible, copayment, or out of pocket expense established for similar benefits under the group contract.

SECTION 6. IC 27-13-7-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 19. (a) As used in this section, "mastectomy" means the removal of all or part of the breast that is determined by a licensed physician to be medically necessary.

(b) A group contract that provides coverage for basic health care services must provide coverage for inpatient care as ordered by an enrollee's treating physician following a mastectomy.

(c) An enrollee covered by a group contract may not be required to pay a deductible, a copayment, or an out of pocket expense in connection with the coverage required by subsection (b) that is greater than the deductible, copayment, or out of pocket expense established for similar benefits under the group contract.

SECTION 7. [EFFECTIVE JULY 1, 2001] (a) IC 5-10-8-11, as added by this act, applies to a health benefit plan (as defined in IC 5-10-8-11) that is entered into, established, amended, or renewed after June 30, 2001.

(b) IC 5-10-8-12, as added by this act, applies to a health benefit plan (as defined in IC 5-10-8-12) that is entered into, established, amended, or renewed after June 30, 2001.

(c) IC 27-8-5-26.5, as added by this act, applies to an accident and sickness insurance policy (as defined in IC 27-8-5-26.5) that is issued, amended, delivered, or renewed after June 30, 2001.

(d) IC 27-8-14.3, as added by this act, applies to an accident and sickness insurance policy (as defined in IC 27-8-14.3-1) that is issued, amended, delivered, or renewed after June 30, 2001.

(e) IC 27-13-7-18, as added by this act, applies to a contract with a health maintenance organization that is entered into, amended, delivered, or renewed after June 30, 2001.

(f) IC 27-13-7-19, as added by this act, applies to a contract with

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- 1 a health maintenance organization that is entered into, amended,  
2 delivered, or renewed after June 30, 2001.

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